

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

In re OPTIONABLE SECURITIES
LITIGATION

No. 07 Civ. 3753 (LAK)

**REPLY MEMORANDUM IN FURTHER SUPPORT OF THE MOTION OF RAMESH
M. SINGA FOR APPOINTMENT AS LEAD PLAINTIFF AND IN OPPOSITION TO
THE COMPETING MOTIONS OF MARC A. HEMBROUGH, DORIS LEE HO,
MONARCH CAPITAL FUND LTD., KLD INVESTMENT MANAGEMENT, LLC, AND
THE VLK GROUP**

Ramesh M. Singa (“Singa”) respectfully submits this reply memorandum in further support of his motion for appointment as lead plaintiff and appointment of lead counsel, and in opposition to the competing motions of Marc A. Hembrough, Doris Lee Ho, Monarch Capital Fund Ltd. (“Monarch”), KLD Investment Management, LLC (“KLD”), and the VLK Group.

As Singa noted in his opposition memorandum, it is important that an individual be appointed as co-lead plaintiff in order to adequately represent the diverse interests of Class members. Approximately 87.6% of Optionable’s shares are held by individuals. Thus, a mere 12.4% of Optionable’s stock is institutionally-owned.¹ The percentage of Optionable’s shares owned by institutions is very small for a publicly-held company. The most recent data shows that institutional investors own approximately 61.2% of U.S. equities.²

The Court should therefore appoint an institution and an individual as co-lead plaintiffs. Of the two institutional movants, KLD and Monarch, KLD has the larger financial interest and is

¹ See <http://finance.yahoo.com/q/ks?s=OPBL.OB>.

² Press Release, The Conference Board, U.S. Institutional Investors Continue to Boost Ownership of U.S. Corporations (Jan. 22, 2007) (*available at* http://www.conference-board.org/utilities/pressDetail.cfm?press_ID=3046).

presumptively the most adequate candidate for lead plaintiff. Of the two remaining individual movants,³ Singa is the only one who is qualified to serve as a co-lead plaintiff in this action. Movant Ho, the only other individual movant who has not withdrawn his or her motion, has filed no opposition to any movant, including Singa. She has thus waived her objections to Singa's motion and should be eliminated from consideration on these grounds alone. Moreover, as discussed in Singa's opposition memorandum, she faces unique defenses because of her selected counsel, which was also recently named as a defendant in a RICO action. If she files a reply and seeks to be appointed, her reply should not be considered. If the Court finds that KLD is otherwise qualified to serve as lead plaintiff,⁴ it should appoint KLD and Singa as Co-Lead Plaintiffs and their respective firms as Co-Lead Counsel.⁵

For the additional foregoing reasons, Singa respectfully requests that the Court appoint him as Lead or Co-Lead Plaintiff and Cohen, Milstein, Hausfeld & Toll, P.L.L.C. as Lead or Co-Lead Counsel.

³ On July 30, 2007, Movant Hembrough withdrew his motion for appointment as lead plaintiff (Docket Entry No. 52).

⁴ Should the Court find KLD inadequate for whatever reason, Singa stands ready to serve as the sole lead plaintiff.

⁵ Appointing Co-Lead Counsel here would not incur any additional legal fees for the Class, which fees would be ruled upon by the Court if there is a recovery; plus, as indicated in Singa's opposition memorandum, Cohen Milstein's experience, resources, and manpower would benefit KLD's counsel in prosecuting the case for the Class.

Dated: August 6, 2007

Respectfully submitted,

COHEN, MILSTEIN, HAUSFELD
& TOLL, P.L.L.C.

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